

RICHARD J. IDELL, ESQ., #069033
 ORY SANDEL, ESQ., #233204
 IDELL & SEITEL LLP
 The Merchants Exchange Building
 465 California Street, Suite 300
 San Francisco, CA 94104
 Telephone: (415) 986-2400
 Facsimile: (415) 392-9259

FILED

MAR 19 2007

RICHARD W. WIEKING
 CLERK, U.S. DISTRICT COURT
 NORTHERN DISTRICT OF CALIFORNIA
 SAN JOSE

Attorneys for Plaintiff U2 HOME ENTERTAINMENT, INC.,
 a California corporation doing business as NEW IMAGE AUDIO
 & VIDEO, CENTURY HOME ENTERTAINMENT and
 TAI SENG ENTERTAINMENT

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UNITED STATES DISTRICT COURT

RICHARD W. WIEKING
 CLERK, U.S. DISTRICT COURT
 NORTHERN DISTRICT OF CALIFORNIA
 SAN JOSE

NORTHERN DISTRICT OF CALIFORNIA

U2 HOME ENTERTAINMENT, INC., a California Corporation doing business as NEW IMAGE AUDIO & VIDEO, CENTURY HOME ENTERTAINMENT and TAI SENG ENTERTAINMENT,

Plaintiff,

v.

SUNLIGHT MUSIC (USA), a California corporation, KINMEI TRADING CO., a business entity form unknown, XIA ZHONG JIAN, individually and doing business as KINMEI TRADING CO., and DOES 1-200 inclusive,

Defendants.

**STIPULATED FINAL JUDGMENT,
 CONSENT DECREE AND PERMANENT
 INJUNCTION AS TO KINMEI TRADING
 CO., A BUSINESS ENTITY FORM
 UNKNOWN, AND XIA ZHONG JIAN,
 INDIVIDUALLY AND DOING BUSINESS
 AS KINMEI TRADING CO.**

Plaintiff, U2 HOME ENTERTAINMENT, INC., a California corporation doing business as NEW IMAGE AUDIO & VIDEO, CENTURY HOME ENTERTAINMENT and TAI SENG ENTERTAINMENT (formerly TAI SENG VIDEO MARKETING) ("U2" or "Plaintiff"), having duly commenced this action by filing the Verified Complaint herein and serving Defendant KINMEI TRADING CO., a business entity form unknown, and Defendant XIA ZHONG JIAN, individually, and doing business as KINMEI TRADING CO. (herein collectively referred to as "Defendants"),

ORIGINAL

alleging violations of Plaintiff's rights in connection with Plaintiff's copyrights including, but not limited to, the works identified on Exhibit "A" to the Verified Complaint, which Exhibit is hereby incorporated by reference and attached hereto as Exhibit "A", and service of the Verified Complaint having been made on the said Defendants, or, acknowledged by the Defendants' signature to this Final Judgment, Consent Decree and Permanent Injunction ("Final Judgment"), and the Plaintiff, and the said Defendants, having agreed to the entry of this Final Judgment, without a trial, and without the adjudication of any issue of fact or law; and the said Parties having consented to the jurisdiction of the Court and having consented to each and every provision, order and decree of this Final Judgment, and this Final Judgment being the result of a compromise of the above matter and having been stipulated to;

IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

1. This Court has jurisdiction over this action for copyright infringement and has jurisdiction over the parties to this suit, as named in the Verified Complaint and set forth below in this Final Judgment. This Court retains jurisdiction over this matter for the purposes of any contempt or other enforcement proceeding stemming from any violation of the permanent injunction or any other provision set forth herein.

2. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant KINMEI TRADING CO., a business entity form unknown, and Defendant XIA ZHONG JIAN, individually, and doing business as KINMEI TRADING CO., and their parent, subsidiary, affiliated and related business entities, and all of the officers, directors, shareholders, members, partners, agents, representatives, servants, employees, successors and assigns of the foregoing, and any and all persons acting in concert or participation with them, who receive actual notice of this Final Judgment are permanently enjoined and restrained from:

a. Importing, making, manufacturing, copying, marketing, distributing, selling, offering for sale, renting, leasing and/or otherwise trafficking, including but not limited to over the Internet, ("Trafficking") in Unauthorized Copies of audio-visual content and/or products the copyrights to which are owned or licensed by Plaintiff, whether heretofore released or to be released after date of this Final Judgment, (hereinafter collectively referred to as "Plaintiff's Exclusive Copyrighted

Programs”), including but not limited to those programs listed on the Exhibit “A” to this Final Judgment. The term “Unauthorized Copy” means a copy of Plaintiff’s Exclusive Copyrighted Programs which was not authorized and sold by Plaintiff or through Plaintiff’s chain of distribution, and includes, but is not limited to, counterfeit copies and/or imports in violation of Plaintiff’s exclusive copyright licenses or other interests.

b. Otherwise engaging in any other activity related to Plaintiff’s Exclusive Copyrighted Programs in any manner which is likely to cause others to falsely believe that Defendants’ Trafficking in Plaintiff’s Exclusive Copyrighted Programs is authorized, approved by, or licensed by Plaintiff.

c. In any manner infringing, contributing to infringement, or participating in the infringement by others, of any of the copyrights in Plaintiff’s Exclusive Copyrighted Programs, and from acting in concert with, aiding or abetting others, to infringe any of the said copyrights in any way;

d. Offering to do any of the acts enjoined in subparagraphs (a) through (c) above.

e. Assisting, aiding, or abetting any other person or business entity in engaging in or performing any of the activities referred to in the above paragraphs (a) through (d).

f. This Final Judgment shall be effective as to each such program for so long as Plaintiff holds the exclusive rights to or owns a particular program.

3. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendants shall deliver and forfeit to Plaintiff or Plaintiff’s counsel, at no cost to Plaintiff, any and all unauthorized copies of Plaintiff’s Exclusive Copyrighted Programs, which are now or later come into the possession, custody or control of Defendants. Moreover, Defendants agree and consent that all infringing product and other items seized pursuant to 17 U.S.C. § 503 and the Seizure Order issued by the Court on December 6, 2006, and executed on December 11, 2006, are forfeited to Plaintiff who may destroy, discard or otherwise dispose of such products and items in Plaintiff’s sole discretion. Plaintiff is hereby relieved of its duties under the Seizure Order as substitute custodian of said products and items.

4. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that as to the Defendants executing this Final Judgment, KINMEI TRADING CO., a business entity form unknown, and Defendant XIA ZHONG JIAN, individually and doing business as KINMEI TRADING CO., the bond

1 on the Temporary Restraining Order and the Preliminary Injunction in the amount of Two Thousand
2 Five Hundred Dollars (\$2,500.00), previously ordered by the Court and issued and filed, is hereby
3 exonerated, discharged and released.

4 5. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Plaintiff shall have
5 judgment against KINMEI TRADING CO., a business entity form unknown, and XIA ZHONG JIAN,
6 individually and doing business as KINMEI TRADING CO., jointly and severally, for the sum of
7 Sixty-Three Thousand Dollars (\$63,000.00), plus costs of suit herein (collectively "Final Judgment
8 Amount"). Plaintiff agrees not to execute on this Final Judgment Amount for as long as Defendants,
9 jointly and severally, comply with the following monetary provisions of this Final Judgment. In the
10 event of a breach of these monetary terms, Plaintiff shall be entitled, in its sole discretion, and at
11 Plaintiff's sole election, to immediately execute on the Final Judgment Amount.

12 a. In further consideration of this Final Judgment, Defendants shall pay to Plaintiff the
13 sum of Fifteen Thousand Dollars (\$15,000.00), payment of said sum to be made as follows:

- 14 i. Five Thousand Dollars (\$5,000.00) by certified check or cash due on or before
15 January 17, 2006;
- 16 ii. One Thousand Dollars (\$1,000.00) by certified check or money order due on or
17 before February 5, 2007;
- 18 iii. One Thousand Dollars (\$1,000.00) by certified check or money order due on or
19 before March 5, 2007;
- 20 iv. One Thousand Dollars (\$1,000.00) by certified check or money order due on or
21 before April 5, 2007;
- 22 v. One Thousand Dollars (\$1,000.00) by certified check or money order due on or
23 before May 5, 2007;
- 24 vi. One Thousand Dollars (\$1,000.00) by certified check or money order due on or
25 before June 5, 2007;
- 26 vii. One Thousand Dollars (\$1,000.00) by certified check or money order due on or
27 before July 5, 2007;
- 28 viii. One Thousand Dollars (\$1,000.00) by certified check or money order due on or

1 before August 5, 2007;

2 ix. One Thousand Dollars (\$1,000.00) by certified check or money order due on or
3 before September 5, 2007;

4 x. One Thousand Dollars (\$1,000.00) by certified check or money order due on or
5 before October 5, 2007;

6 xi. One Thousand Dollars (\$1,000.00) by certified check or money order due on or
7 before November 5, 2007;

8 b. Failure to timely make the payment of Fifteen Thousand Dollars (\$15,000.00)
9 referenced in Section 5(a) by cash, certified check or cashier's check, by the dates referenced in
10 Section 5(a), shall be considered a material breach of this Final Judgment. In the event of a breach of
11 this Final Judgment, Plaintiff shall be entitled to execute on the Final Judgment Amount.

12 c. In addition to the Fifteen Thousand Dollars (\$15,000.00) set forth in Section 5(a)
13 above, and in further consideration of this Final Judgment, Defendants agree to the following terms:

14 i. Over a period of three (3) years commencing from the Defendants' execution of
15 this Final Judgment, Defendants shall purchase not less than Forty-Eight
16 Thousand Dollars (\$48,000.00) of Plaintiff's Exclusive Copyrighted Programs,
17 namely, Plaintiff's multi-episodic television programs originally produced,
18 broadcast and distributed in Asia by TVB International Ltd. ("TVB"), a
19 television production, distribution and broadcast company. These minimum
20 purchase amounts shall be met by purchase orders and payments made by
21 Defendants in the amount of One Thousand Three Hundred Thirty-Three
22 Dollars and Thirty-Three Cents (\$1,333.33) per month for a period of Thirty-Six
23 (36) months beginning immediately upon Defendants' execution of this Final
24 Judgment.

25 ii. Defendants shall pay for all applicable freight and handling costs for the
26 programs purchased from Plaintiff. Plaintiff shall use commercially reasonable
27 efforts to fill Defendants' orders as soon as possible, provided however, that all
28 orders from Defendants are subject to availability as well as confirmation and

1 acceptance by Plaintiff.

2 iii. Failure to timely make said purchase orders and payments shall be considered a
3 material breach of this Final Judgment. In the event of a breach of this Final
4 Judgment, or if any payment under this Section 5(c) is untimely or if any of the
5 payments under this Section 5(c) are returned for any reason after deposit, in
6 Plaintiff's sole discretion and at Plaintiff's sole election, Plaintiff shall be
7 entitled to execute on the Final Judgment Amount, with credit for sums paid
8 under 5(a) or 5(c).

9 6. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that in the event of
10 acceleration and execution on the monetary aspects of this Final Judgment, Plaintiff shall recover
11 interest from the date of this Final Judgment on all such unpaid monetary sums at the rate or Ten
12 Percent (10%) per annum in addition to all costs incurred in this action pursuant to Plaintiff's cost bill
13 indicating costs of \$2,368.00.

14 7. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that if Plaintiff is
15 required to file any further proceedings to enforce the terms of this Final Judgment, Plaintiff shall be
16 entitled to recover its attorneys' fees and costs in any such proceedings.

17 //

18 8. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall
19 retain jurisdiction to enforce this Stipulated Final Judgment and to preside over any subsequent action
20 resulting from any violation of this Final Judgment.

21 9. Defendants agree and IT IS FURTHER ORDERED, ADJUDGED AND DECREED
22 that the terms of this Final Judgment shall inure to and be binding upon the successors and assigns of
23 Defendants.

24 10. This Final Judgment is entered without prejudice to Plaintiff filing an action for non-
25 dischargeability in the event that the monetary terms set forth herein are not fully paid and there is a
26 subsequent bankruptcy.

27 **[SIGNATURE PAGES TO FOLLOW]**

1 AGREED AND CONSENTED TO by U2 HOME ENTERTAINMENT, INC., a California
2 corporation doing business as NEW IMAGE AUDIO & VIDEO, CENTURY HOME
3 ENTERTAINMENT and TAI SENG ENTERTAINMENT (FORMERLY TAI SENG VIDEO
4 MARKETING)

5 Dated: ~~December~~ Jan. 13, 2006
6 2007

U2 HOME ENTERTAINMENT, INC.

7 By: Y. F. H.
8 Its: Legal Counsel

9 AGREED AND CONSENTED TO by KINMEI TRADING CO., a business entity form
10 unknown

11 Dated: January 25, 2007

KINMEI TRADING CO.

12 ZHONG JIAN XIA
13 By: Zhong Jian Xia
14 Its: Owner

15 AGREED AND CONSENTED TO by XIA ZHONG JIAN, individually and doing business as
16 KINMEI TRADING CO.

17 Dated: January 25, 2007

18 ZHONG JIAN XIA
19 XIA ZHONG JIAN
20 623-39-4170
21 Social Security Number

22 APPROVED AS TO FORM BY COUNSEL FOR PLAINTIFF:

23 Dated: March 5, 2007

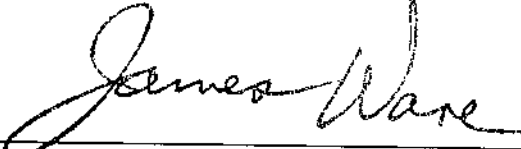
IDEAL & SEITEL LLP

24 Richard J. Idell
25 Attorney for Plaintiff
26 U2 HOME ENTERTAINMENT, INC., a California
27 corporation doing business as NEW IMAGE AUDIO &
28 VIDEO, CENTURY HOME ENTERTAINMENT and
TAI SENG ENTERTAINMENT

//

1 **IT IS SO ORDERED:**

2
3 Dated: March 19, 2007

4 
The Honorable Judge James Ware
Judge of The United States District Court